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17 DEC 1965

25 YEAR RE-REVIEW

MEMORANDUM FOR: Director of Special Activities

ATTENTION: Chief, Contracts Division, OSA

SUBJECT: Change in Scope, Contract FH-2515,
System 20, Aerojet General Corp.

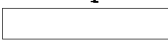
REFERENCE: Letter from  Aerojet
General, to  CD/OSA,
dated 29 November 1965, Concerning
System 20 Change of Scope

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1. The referenced document quite accurately depicts the sequence of events resulting from a multiplicity of redirections concerning the mounting location of the System 20. It is not quite current inasmuch as it does not include a time and cost summary concerning redirection given by the program officer on or about 29 November 1965. Further, it appears that a small charge associated with the fabrication of optical test plates is not included in the referenced document.

2. The cost of the change of scope indicated in the referenced document is in the amount of \$10,428. This could possibly run up to \$15,000 because of additional items which are apparently not included in the cost summary. However, it is firmly believed that the reduction in costs resulting from a wing mounted pod configuration should result in a cost reduction in the order of  This figure takes into consideration the present "increased scope" costs.

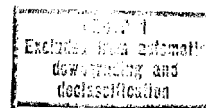
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3. If the pod mount proves to be aerodynamically feasible, a decision must be made so a contractor can be designated to fabricate the pods for both prototype and production systems. Based on present

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Page 2

technical and fabrication requirements, it appears advantageous for Aerojet General to fabricate the pod instead of Lockheed. Should this contractor selection occur, a significant change of scope will result.

4. Because of the complexity of the System 20 changes, which in fact reflect both cost decreases and increases, it appears to be untimely to renegotiate the contract in the immediate future; rather a careful historical accounting of the changes should be accumulated until such time as the design becomes more fully defined.

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Director of ELINT

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